

- CALRECYCLE PUBLIC MEETING - SEPTEMBER 19, 2017 -

Consideration of the
**CARPET AMERICA RECOVERY
PROGRAM (CARE)
2016 ANNUAL REPORT**

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California Carpet Stewardship Program Background

- **AB 2398:** First mandatory carpet stewardship program in U.S.
 - Requires “**continuous meaningful improvement**” in recycling & landfill diversion
- **CARE designs, implements Program**
 - CARE’s Plan which expired on 12/31/2016 required **16% recycled output rate at the end of 2016**
 - **Funded by assessment** on new carpet sold in CA
- CalRecycle reviews Plan, provides oversight & enforcement

2016 Annual Report

- CARE's 5th Annual Report, submitted June 30, 2017
 - Covers program performance in calendar year 2016
 - Includes independent financial audit

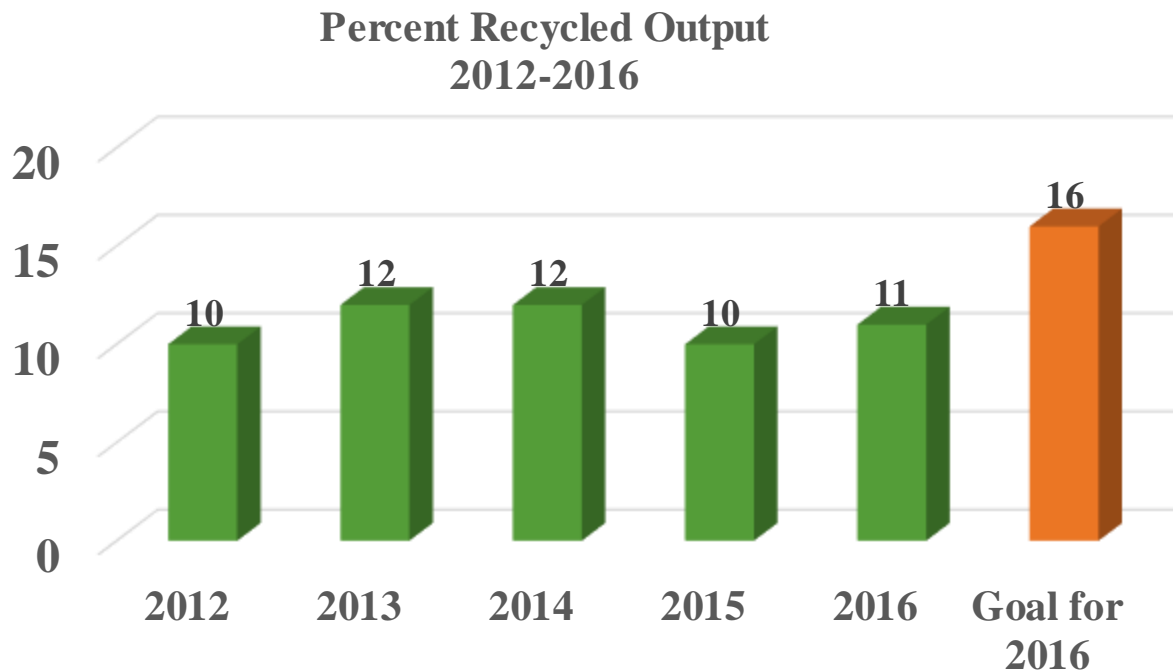
2016 Independent Financial Audit

- CalRecycle auditors reviewed independent financial audit
 - All **previous** independent financial audit findings addressed, e.g., inadequate communication and, no attestation letters from collector, sorters, and entrepreneurs for subsidies
 - **No** independent financial audit findings for 2016

2016 Annual Report - CalRecycle Findings

Finding 1: CARE failed to meet the recycling goal & demonstrate continuous & meaningful improvement in diversion & meet other goals

- Recycled output **11%** of discards



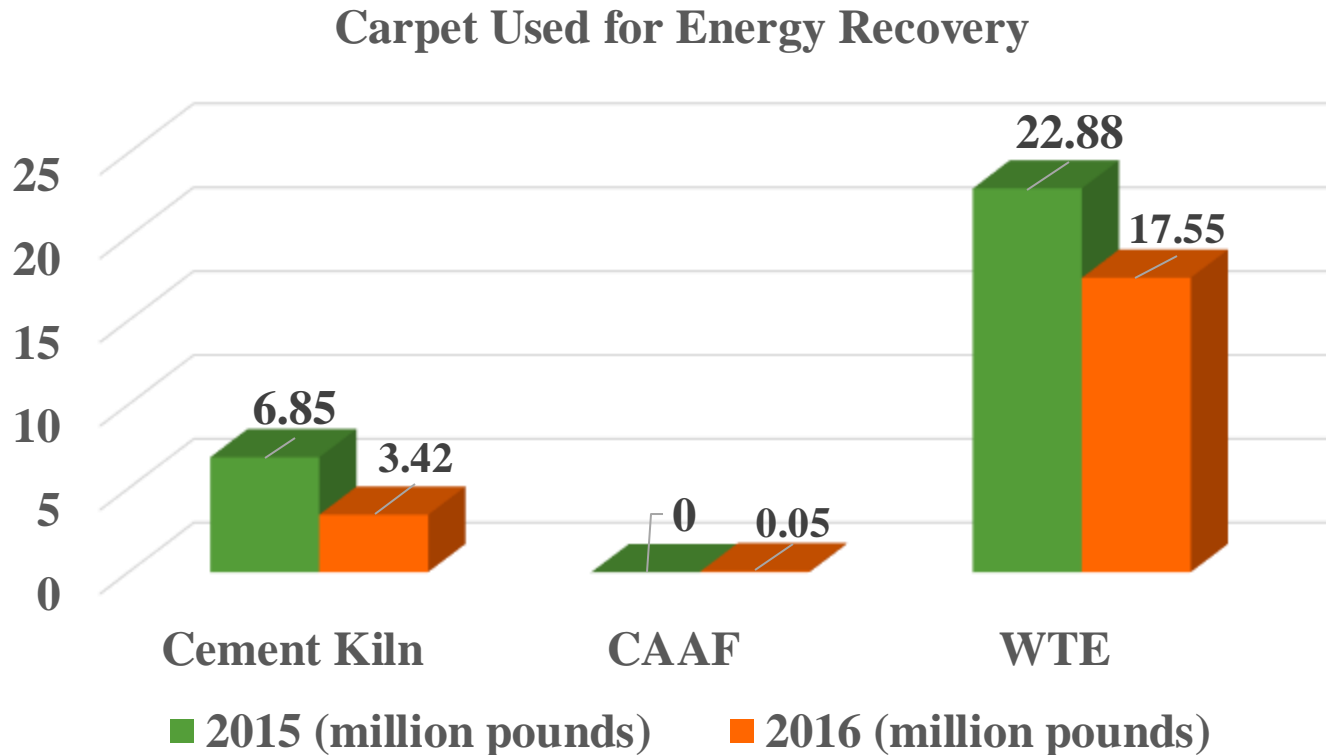
2016 Annual Report - CalRecycle Findings

Finding 1 (continued) : CARE failed to meet the recycling goal & demonstrate continuous & meaningful improvement in diversion & meet the other goals

- Change in source reduction (**4.20** to **4.39** lbs/sq yd)
- Recyclability
 - Ease of access
 - Ease of separation
 - Yield increased - **33.8%** in 2015 to **35.1%** in 2016
- Reported diversion decreased – **73M** pound in 2015 to **61M** pounds in 2016
- Reuse increased – **602K** pounds in 2015 to **926K** in 2016

2016 Annual Report - CalRecycle Findings

Finding 1 (continued) : Energy recovery decreased



2016 Annual Report - CalRecycle Findings

Finding 2: Consumers purchasing carpet do not have reasonable access to recycling services in all counties.

- **33 of 58** counties served by CARE-funded collection sites at the end of 2016
- Private Collection Sites' impact on consumer convenience is not clear

2016 Annual Report - CalRecycle Findings

Other Issues: CARE should provide additional details regarding its methodology and evaluation of Marketing, Education and Outreach activities

- CARE expanded retailer visits, held workshops, awarded grants, among other efforts
- Opportunity to improve metrics for evaluating effectiveness of ME&O

2016 Annual Report - CalRecycle Findings

Options for Director:

1. Direct Waste Evaluation and Enforcement Branch (WEEB) to verify noncompliance findings and other potential violations, and consider action(s) including but not limited to imposition of civil penalties, a compliance schedule, or other options to achieve compliance.
2. Find that CARE achieved continuous meaningful improvement.

Staff Recommendation: Option 1



Promoting A More Sustainable California



www.calrecycle.ca.gov/carpet